

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2152 - HB 2273

February 10, 2022

SUMMARY OF BILL: Permits the existing retirement system to procure goods and services to acquire a new pension administration system that may replace the system currently in existence. Authorizes funding for the development and implementation of the system and additional technological improvements to come from either the earnings of the Tennessee Retiree Group Trust (TRGT), payments from group trust participants, or both. Prohibits any costs from maintenance or improvements for the new system from being funded pursuant to this legislation.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Based on information provided by the Tennessee Consolidated Retirement System (TCRS), TCRS currently has an option of paying for such system changes through the normal administrative fees charged to group trust participants.
- According to TCRS, a portion of the costs of a new system may be paid for using existing American Rescue Plan funding. However, that option is still being reviewed.
- Providing the existing retirement system with the ability to fund the development and implementation of a new pension administration system through the earnings of the TRGT and payments from group trust participants will provide alternative funding options for TCRS.
- However, because the new system will be funded through a separate appropriation, which will designate whether the funding of the cost is utilizing the provisions of this legislation and/or the currently available funding mechanism through administrative fees, the proposed legislation is not directly resulting in a significant fiscal impact to state or local government.
- System maintenance and improvement costs for any new system will continue to be funded in the same manner as current systems are funded.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid, with the first letters of each name being capitalized and prominent.

Krista Lee Carsner, Executive Director

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